

**Before the State of South Carolina  
Department of Insurance**

In the matter of:

SCDOI File Number 2003-119483

Alan A. Spray/ Gallagher Bassett Services, Inc.  
13801 Riverport Drive, Suite 501  
Maryland Heights, MO 63043

**Consent Order  
Imposing Administrative Penalty  
and Allowing Licensure**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and Alan A. Spray, previously non-licensed South Carolina non-resident insurance adjuster.

Upon review of this matter, I hereby find as fact that, on or about November 12, 2002, Mr. Spray transacted business as a non-resident South Carolina insurance adjuster without being authorized to do so. Mr. Spray admits this allegation and contends his conduct resulted from inadvertence and oversight of his employer, Gallagher Bassett Services, Inc., and not from any intent to avoid the requirements of the law. Gallagher Bassett Services, Inc is an interstate adjusting firm; South Carolina does not license those entities. Rather, the law requires each individual adjuster to be properly licensed before transacting business in this State.

The parties agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal administrative proceeding. The consensual recommendation was that Mr. Spray would immediately pay an administrative penalty in the amount of \$3,000.00. This is the minimum fine that can be applied by law. Mr. Spray, realizing shortly after receiving a loss claim on November 12, 2002 that he was supposed to be licensed, applied for his South Carolina License. His non-resident insurance adjusters' license was granted on May 21, 2003. We do note that this license was granted prior to any complaint being received by this Department. It is clear that Mr. Spray complied with South Carolina Law as quickly as possible and prior to any direction from this Department. This penalty, therefore, is imposed for the past infraction, as it is clear as mentioned above, that there was no intent by Mr. Spray to avoid the requirements of the law.

After a thorough review of the record, carefully considering the recommendation of the parties, and pursuant to my findings of fact, I hereby conclude as a matter of law, that Alan A. Spray had violated § 38-43-130 (Supp. 2002). As a result, I can now take administrative disciplinary action against his insurance adjuster's license. However, under the discretionary authority provided to me by the General Assembly within S.C. Code Ann. § 38-2-10 (2) (Supp. 2002) and carefully considering the recommendation of the parties, I hereby impose against Alan A Spray an administrative penalty in the amount of \$3,000.00 dollars. That fine must be paid within ten days of the date of my signature upon this Consent Order. If that fine is not timely paid, his non-resident insurance adjuster's license will be immediately revoked without any further disciplinary proceedings.

This administrative penalty has been reached by the parties as a result of negotiation and compromise, and it is made in consideration of Mr. Spray's assurance that in the future he will fully comply with the Insurance Laws of South Carolina.

This penalty includes all expenses related to the investigation of this matter as provided in § 38-13-70 of the South Carolina Code of Administrative Laws. The parties expressly agree and understand payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter. By his signature upon this consent order, Mr. Spray acknowledges this administrative order as a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2002).

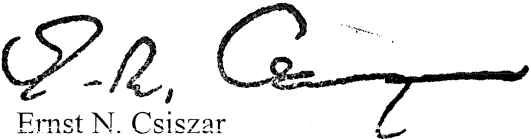
Nothing contained within this administrative order should be construed to limit, or to deprive any person of any private right of action under the law. Nothing contained within this administrative order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement officer or judicial officer. Nothing contained within this administrative order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (4) (Supp. 2002) of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is, therefore, ordered that Alan A. Spray shall, within ten days of the date of my signature on this consent order, pay through the South Carolina Department of Insurance an administrative penalty in the amount of \$3,000.00 dollars.

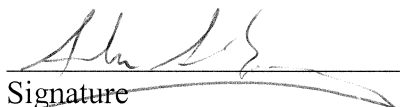
It is further ordered that a copy of this consent order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states and a copy be placed in Alan Spray's file.

This consent order becomes effective as of the date of my signature below.

*March*  
~~February~~ 8, 2004  
Columbia, South Carolina

  
Ernst N. Csiszar  
Director

I CONSENT:

  
Signature

ALAN ANDREW SPRAY  
Printed Name

CLAIMS REPRESENTATIVE  
Title

For Gallagher Bassett Services, Inc.  
13801 Riverport Drive, Suite 501  
Maryland Heights, MO 63043.

Dated this 23 day of FEBRUARY, 2004.